GOVERNMENT OF INDIA
MINES AND MINERALS
LOK SABHA

UNSTARRED QUESTION NO:2585
ANSWERED ON:10.03.2000
CLOSURE OF COAL MINES
VENKATA KRISHNAM RAJU UPPALAPATI

Will the Minister of MINES AND MINERALS be pleased to state:

(a) whether the Government have closed some coal mines in the country by declaring these sick during the last three years and current year and also proposed to declare some more mines as sick during the remaining period of the Ninth Plan;

(b) if so, the details thereof, State-wise;

(c) the rationale behind this;

(d) whether the Government have taken any steps for their revival; and

(e) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE FOR MINES & MINERALS (SMT. RITA VERMA)

(a) There is no legal provision under which the Central Government can declare particular coal mines as sick. Under the relevant provisions of Sick Industrial Companies

(Special Provisions) Act, 1985, a coal mining company can be declared as a sick industrial company, only by the Board for Industrial and Financial Reconstruction. Therefore, the question of the Central Government closing down any coal mine as a sick unit does not arise. Various coal companies, however, under their respective Memorandum and Articles of Association have powers to close down their coal mines on techno-economic considerations.

(b) to (e) Do not arise in view of the answer to part

(a) of this question.